REMARKS/ARGUMENTS

Favorable reconsideration of this application, as presently amended and in light of the following discussion, is respectfully requested.

Claims 1, 2, 5, 7-11, 14-15, 17-21, 24-27 and 30-32 are pending in this application.

Claims 1, 5, 7-10, and 20 are amended; and Claims 6 and 16 are canceled without prejudice or disclaimer by the present amendment. Support for the amended claims can be found in the original specification, claims and drawings. Thus, no new matter is presented.

The amendment is submitted in accordance with 37 C.F.R. § 1.116 which after final rejection permits entering the amendments, canceling claims, complying with any requirement of form expressly set forth in a previous Office Action, or presenting rejected claims in better form for consideration on appeal. The present amendment places the claims in better form for consideration on appeal by incorporating features from each of dependent Claims 6 and 16 into independent Claims 1, 10 and 20. This amendment does not raise new issues requiring further consideration and/or search. It is therefore respectfully requested that the present amendment be entered under 37 C.F.R. § 1.116.

In the Office Action, Claims 1, 2, 5-11, 14-21, 24-27 and 30-32 are rejected under 35 U.S.C. § 103(a) as unpatentable over <u>Hayes et al.</u> (U.S. Pub. 2003/0200216, herein <u>Hayes</u>) in view of <u>Miura et al.</u> (U.S. Pub. 2003/0178376, herein <u>Miura</u>).

In response to the above-noted rejection under 35 U.S.C. § 103, Applicants respectfully submit that amended independent Claims 1, 10 and 20 recite novel features clearly not taught or rendered obvious by the applied references.

Amended independent Claim 1, for example, recites an information service method, comprising:

recording identification information that is unique to a non-recordable data recording medium to the data recording medium;

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¹ e.g., at least at original Claims 6 and 16, and Fig. 9.

correlatively storing the identification information and management information corresponding to the data recording medium at a management server...

reading the identification information from the data recording medium...

transmitting the identification information read from the data recording medium to a communication network;

receiving, at the management server, the transmitted identification information and reading the management information correlated with the identification information;

outputting the read management information from the management server;

transmitting the identification information and information that represents a use mode of the data recording medium to the management server;

updating, at the server, the management information each time the identification information and information that represents a use mode of the data recording medium is received; and

reproducing the content data on the data recording medium in accordance with the provided management information.

Independent Claims 10, 20 and 26, while directed to alternative embodiments, are amended to recite similar features as those emphasized above. Accordingly the remarks and arguments presented below are applicable to each of independent Claims 1, 10, 20 and 26.

As described in an exemplary embodiment at Fig. 9, a user terminal first reproduces and transmits a unique identification corresponding to the data recording medium to the management server, which responds by returning the management information (e.g., use limit information). The user terminal unit then selects a mode (e.g., reproduction, copy, etc.) for operation, and transmits this information to the management server, which responds by updating or rewriting the management information. Then, the user terminal unit reproduces, copies, etc., the content data in accordance with the received management information.

As noted above, the features directed to reporting the mode of the data recording medium to the management server, and updating the management information in response to such feedback is based on features recited in dependent Claim 16, which is canceled.

In rejecting Claim 16, the Office Action relies on Fig. 5 and paragraphs [0024], [0025], and [0028] of <u>Hayes</u>. Paragraph [0024] of <u>Hayes</u> describes that a central access

control system records, in a database, disc identification information of each disc of each set of distribution CDs and a remote location access rights list (ARL). The disc identification information of each CD is correlated with an intended recipient remote location. Thus, the central access control system is able to determine which remote location should be authorized to access which distribution CDs. Paragraph [0025] of Hayes describes that a distribution CD set is physically delivered to each remote location requiring access to the recorded information. Each remote location is equipped with an information access system that includes its unique remote location identification number, a CD reader with an embedded decryption system, and a bilateral communication link to the central access control system. When a user wishes to access the information, he logs into the information access system using his unique user identification and password pair. The information access system then reads the disc identification information and sends its unique remote location identification number and the disc identification information as an access request to the central access control system via the bilateral communication link. If the access control system is able to verify the request based on the central access control database and grant the request based on the ARL, the central access control system will send the requesting information access system a unique decryption key to access the particular distribution CD currently contained in the information access system. Finally, paragraph [0028] of <u>Hayes</u> characterizes U.S. Pat. No. 6,434,535, and describes that the '535 patent discloses a system and method for distribution of electronic content over a network infrastructure and compensation of vendors of such data using prepaid media that includes a client device for operation by a user desiring to receive the electronic content and server that contains the electronic content and offering the electronic content for downloading to the client device via the network infrastructure. The client device communicates a unique identifier associated with a particular piece of media to which the electronic content is to be stored to the server. The server contacts a

media tracking sever to determine if the media is valid and a remaining balance of the prepaid media. The cost of the electronic content to be downloaded is deducted from the remaining balance and credited to the vendor's account. The server then encrypts the electronic content using the unique identifier as a key and downloads the encrypted electronic content to the client computer, where the client computer writes the encrypted electronic content to the particular piece of media such that the encrypted electronic content may only be accessed from the particular piece of media. The electronic content is only accessible from only the one piece of media having the unique identifier and is not accessible from any other media having a different or no identifier.

Thus, <u>Hayes</u> describes various variations in which a user receives a physical CD and transmits an ID unique to the CD (or the client device) when the CD is reproduced at the client device. When the central access control system determines that the user is authorized to access the content on the CD based on the received identification information, a key is transmitted from the central access control system to the client device.

Hayes, however, fails to teach or suggest "transmitting the identification information and information that represents a use mode of the data recording medium to the management server [and] updating, at the server, the management information each time the identification information and information that represents a use mode of the data recording medium is received," as required by amended independent Claim 1.

As described above in an exemplary embodiment referring to Fig. 9, an additional exchange of management information and use mode information is performed after the identification information is transmitted from the user terminal to the management server. This allows the management server to update the management information prior to transmitting key/license information from the management server to the user terminal.

Hayes, in contrast, fails to teach or suggest that the user terminal informs the management server of a use mode, whatsoever, much less that any management information is updated on the basis of information representing a use mode, as required by amended independent Claim 1.

Miura, the secondary reference, is relied upon only to reject the claimed features directed to the management information including use limit information, which are removed from the pending claims. Moreover, Miura fails to cure any of the above noted deficiencies of Hayes.

Therefore, <u>Hayes</u> and <u>Miura</u>, neither alone, nor in combination, teach or an information service method, which includes "transmitting the identification information and information that represents a use mode of the data recording medium to the management server, and updating, at the server, the management information each time the identification information and information that represents a use mode of the data recording medium is received," along with all the additional limitations recited in amended independent Claim 1.

Accordingly, Applicants respectfully request that the rejection of Claim 1 (and the claims that depend therefrom) under 35 U.S.C. § 103 be withdrawn. For substantially similar reasons, it is also submitted that amended independent Claims 10, 20 and 26 also patentably define over <u>Hayes</u> and <u>Miura</u>.

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Consequently, in view of the present amendment and in light of the foregoing comments, it is respectfully submitted that the invention defined by independent Claims 1, 2, 5, 7-11, 14-15, 17-21, 24-27 and 30-32 is patentably distinguishing over the applied references. The present application is believed to be in condition for formal allowance and an early and favorable reconsideration of the application is therefore requested.

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